

1/13/04 WSJ A4
1/13/04 Wall St. J. A4
2004 WL-WSJ 56916871

Page 1

The Wall Street Journal
(Copyright (c) 2004, Dow Jones & Company, Inc.)

Tuesday, January 13, 2004

Politics & Policy

Saudi Charity Worried French in '94

Paris Told Arab Rulers Philanthropic Arm Aided Extremists Linked to Terror
By Glenn R. Simpson in Washington and John Carreyrou in Paris

A FORMER INTERIOR minister of France said he warned the top rulers of Saudi Arabia in 1994 that their country's charitable arm was funding Islamic extremists suspected of involvement in terrorism. The meetings a decade ago show that the French government had intelligence about the connection between Saudi charities and terrorism far sooner than previously known, around the same time U.S. intelligence officials became aware of the problem. Then-Interior Minister Charles Pasqua said in a recent interview that on a trip to Riyadh in November 1994 he met with Saudi King Fand, Crown Prince Abdullah, Interior Minister Prince Nayef and then-intelligence chief Prince Turki, asking each to prevent the government-funded Muslim World League from further supporting extremists in France.

But until the investigation into the Sept. 11, 2001, attacks, when the charity-terror link became widely known, the Saudis did little to stop the flow of charitable funds to terrorism, in part because the U.S. and Europe didn't apply concerted pressure. While attacks by Algerian radicals had sensitized France, the U.S. took a more benign view, Mr. Pasqua said.

U.S. officials "were well aware of our findings via our regular exchanges of intelligence," Mr. Pasqua said. "I was surprised by the blindness of the Americans at the time." He added: "At the time, I told the Germans and the British about our concerns with regard to these charities, but they didn't really act on them. They didn't take us that seriously."

The French-Saudi discussions raise more questions about the Saudi government's awareness of the problem. Saudi representatives say their lack of action before the 2001 attacks is attributable in part to the many mixed signals the regime received from countries including the U.S., which in the 1980s promoted the funding of Islamic groups as a bulwark against the Soviet Union and some of its supporters. There also have been periodic reports of European governments refusing to act against Islamic activists in their countries whom the Saudis identified as dangerous radicals.

Mr. Pasqua disclosed his warning to the Saudis in a recent statement to lawyers for families of Sept. 11 victims who are suing Saudi banks, charities and other entities for allegedly failing to do enough against terrorism, and confirmed the talks in the interview.

1/13/04 WSJ A4
 1/13/04 Wall St. J. A4
 2004 WL-WSJ 56916871

Page 2

"I asked that they be careful and that these government subsidies be stopped, in particular those that went to the Muslim World League," he said. Groups in Europe receiving the funds "weren't necessarily terrorist groups, but everyone knew that it was among these fundamentalist movements that the terrorists were recruited."

The issue of Saudi funding for Islam has long been ambiguous, even within France, said Jonathan Laurence, a scholar specializing in Islam and France at Harvard University. It isn't that the French government doesn't want Saudi Arabia's money, he said, but that it wants to control how it is spent. "The Saudi money remains useful to the French government for financing prayer space and the salaries of imams," he said.

---- INDEX REFERENCES ----

NEWS SUBJECT: (International Relations (GDIP); Legal/Judicial (C12); Political/General News (GCAT); Domestic Politics (GPOL); Religion (GREL); Acts of Terror (GTERR); Corporate/Industrial News (CCAT); Crime/Courts (GCRIM); Risk News (GRISK))

REGION: (Saudi Arabia (SAARAB); European Union Countries (EECZ); France (FRA); United States (USA); Asian Countries (ASIAZ); Emerging Market Countries (DEVGCOZ); Developing Economies (DVPCOZ); European Countries (EURZ); Persian Gulf Countries (GULFSTZ); Middle Eastern Countries (MEASTZ); Mediterranean Countries (MEDZ); North American Countries (NAMZ); Western Asian Countries (WASIAZ); Western European Countries (WEURZ))

OTHER INDEXING: WSJ; 911; CMY; DJWI; GEN; LWS; RLG; ARA; EC; EU; FR; ML; NME; SA; US; WEU; EMB; IGV; NND; LMJ; PTC; EN

Word Count: 543

1/13/04 WSJ A4

END OF DOCUMENT